4346 NORTH CLARENDON AVENUE GARDEN SUITE CHICAGO, ILLINOIS 60613-1576

(773) 935-4425 • (773) 935-4426 Fax

BRETT HART PROPERTY MANAGER

February 15, 2002

Mr. Richard Terry Chief Executive Officer Peoples Energy 130 East Randolph Street 24th fl Chicago, Illinois 60601

RE: Accounts:

1. 4500021576845 - 7749 Valta 2. 4500022187220 7455 5 Memi

3. 4500022187605 4230 5. m. My

Dear Mr. Terry:

I am writing you as a last resort in my attempt to resolve pending issues with the above referenced accounts. Although I have repeatedly called Mr. Jeffrey C. Schaffer and left numerous messages, he has responded to neither my calls nor messages left on his voice mail. In respect to your busy schedule I am writing you with particular and specific requests and ask that you have someone within your company address them.

It is regrettable that due to oversights in your new business/application departments, these matters have progressed to such a serious level. In a recent hearing with The Illinois Commerce Commission, counsel representing Peoples Energy was not able to provide any documentation of my application process nor the many trust agreements I was required to personally submit to the offices on State Street.

1) In reference to 4500022187220, this account number does not match the recently submitted bills for this building: 4500021577073. Furthermore, conflicting info has been submitted by Mr. Schaffer and Mr. John Barna (Refer to 12/19/01 letter to Schaffer). There is only one meter at the building yet two different billings have been submitted.

2) In reference to all three of the above accounts, in setting up monthly installment payments for these accounts, Mr. Schaffer informed me that I would not be billed for interest or penalty. In fact, the billings include a sizeable penalty charge.

3) In reference to all three of the above accounts I am being billed for 'estimated' readings; contrary to the sworn testimony given at a recent ICC hearing.

After the last gruelsome hearing I am eager to resolve all differences with Peoples Energy. I am sure your counsel has conducted research on my financial background; my credit records confirm that my credit rating is impeccable. I have talked with numerous supervisors, attempted to read meters and submit info to Peoples Energy. On several occasions the meter type described by the representative was not the actual type at the building (5 Dial type versus RootsSolid State Pulser). Furthermore, I am still not receiving bills for some of the accounts. Until all of these matters are resolved I am notating on my calendar to send installment payments with or without a bill. I am willing to pay for services rendered based on actual readings for the correct meters. Until such time when the issue is resolved for the 75th/Merril bidg account, here is \$5000 on account.

Looking forward to your response.

Sincerely,

E. Jerome Malry CC: Ck 7566 \$5000

COMPLETE THIS SECTION ON DELIVERY SENDER: COMPLETE THIS SECTION ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. □ Agent Attach this card to the back of the mailpiece, · Addressee or on the front if space permits. O. Is delivery address different from item 1? ☐ Yes 1. Article Addressed to: ☐ No If YES, enter delivery address below: MA RICHARD TERRY

(FORES ENERGY

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CHICAGO, IL 60601 3. Service Type Express Mail Certified Mail ☐ Return Receipt for Merchandise Registered ☐ Insured Mail □ C.O.D. 4. Restricted Delivery? (Extra Fee) ☐ Yes 2. Article Number 7000 0520 0013 (Transfer from service label) 102595-01-M-1424 Domestic Return Receipt PS Form 3811, March 2001